

Observations on House Committee on Post Office and Civil Service
Hearing, 26 April 1960, in re Pay Legislation.

(Present: Messrs. Murray, Lesinski, Hollifield, Foley, Irwin, Harmon,
Oliver, Rees, Gross, Broyhill, Johansen, Cunningham, Wallhauser, and
Barry, Mrs. St. George)

In addition to Mr. Ewan Clague, Commissioner of Labor Statistics,
Mr. Maurice Stans, Director of the Budget appeared before the Committee
today to complete his testimony of 21 April.

From the extensive questioning of Mr. Clague little developed
beyond explanation of the methodology being used for the current direct-
ed study. An exception is the sharp differentiation by the witness
between cost of living and standard of living. In volunteering that
"in 1939 nobody had a TV set and many people did not have cars", he
seemed to give indication of a new area of argument against the position
that proponents of the legislation have advanced to the effect that
standards can not be maintained at reduced relative income.

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Mr. Harmon's questions hinged on what he called penalization of
Federal employees to maintain budget solvency while we, at the same time,
pour billions of tax money into far flung foreign programs. This touched
off a purely partisan interchange, capped by Mr. Stans' brief defense of
national policy.

Mrs. St. George indicated her long time belief that salaries for
classified workers should be susceptible to automatic adjustment as in
the case of Wage Board rates. To this Mr. Stans would not agree, saying
that the current study is an evolutionary step, and that continuing
studies of the same character in the future will facilitate future adjust-
ments when needed.

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NB: The Committee will reconvene 27 April. Witnesses to be heard are
unidentified.

WITNESSES FOR HEARINGS ON PAY LEGISLATION - TUESDAY, APRIL 26, 1960.

MR. EWAN CLAGUE, Commissioner, Bureau of Labor Statistics, Department of Labor

COMPLETION OF TESTIMONY OF --

HONORABLE MAURICE H. STANS, Director, Bureau of the Budget